

CONTRACT OF SALE

This Contract of Sale ("Contract") is made on May 12, 2022 (the "Effective Date") by and between

FARNOW INC, and individuals whose address is 96 Lippincott House No. hereinafter
referred to as the "Seller", Spaulds Lake, NJ 07752

AND

87 Jacobus Ave LLC, a New Jersey limited liability company whose address is 199 West 21st street, Bayonne, New Jersey 07002, hereinafter referred to as the "Purchaser".

The words "Purchaser" and "Seller" include all Purchasers and all Sellers listed above.

1. **Purchase Agreement.** The Seller agrees to sell, and the Purchaser agrees to buy the Property (as defined below) described in this Contract.

2. **Property.** The "Property" to be sold consists of: (a) the land and all the buildings, other improvements and fixtures on the real property; (b) all of the Seller's right, title, and interest in and relating to the real property; and (c) all personal property specifically included in this contract. The real property to be sold is situated in the City of Jersey, County of Hudson, State of New Jersey, and designated on the Official Tax Map of the City of Kerry as Block 289, Lot 13, 4/3.01 commonly known as 85-96 Jacobus Avenue, Kearny, New Jersey. 572

3. **Purchase Price.** Purchaser shall pay to Seller for the Property the price of **ONE MILLION AND 00/100 DOLLARS (\$1,000,000.00)** (the "Purchase Price"). The purchase price might be adjusted due to the negotiations with the EPA and DEP but net proceeds to seller will be no less than \$1,000,000

4. **Payment of Purchase Price.** The Purchaser will pay the purchase price as follows:
(the "Deposit" Non Refundable).....\$50,000.00
Balance to be paid at closing of title, in cash or by certified or bank
cashier's check (subject to adjustment as set forth herein).....\$950,000.00

5. **Deposit Monies.** On or prior to the expiration of the due diligence period Purchaser shall pay the Deposit in immediately available funds with Madison Title Agency, as the "Escrow Agent" or the "Title Company". The Deposit shall be held in escrow in the Escrow Agent's interest-bearing trust account and shall be released after the expiration of the Due diligence period and credited against the Purchase Price at Closing pursuant to the terms of this Contract.

6. **Time and Place of Closing.** The parties agree that the consummation of the transaction contemplated by this Agreement (the "Closing") shall take place on the date which is (24) months after the expiration of the Purchaser's Due Diligence Period (as defined below), or on such earlier date as may be mutually agreed to by the parties. If the date set for the Closing pursuant to this Section 6 shall be a Saturday, Sunday or banking holiday in the State of New Jersey, the Closing shall be held on the first business day immediately following the date set pursuant to this Section

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6. The date upon which the Closing actually occurs shall hereinafter be referred to as the "Closing Date". Notwithstanding anything to the contrary set forth herein, Purchaser, in its sole and absolute discretion, shall have the right to extend the Closing for a period not to exceed twelve (12) months beyond the scheduled Closing Date pursuant to this Section 6.

7. **Transfer of Ownership.** At the Closing, the Seller will transfer ownership of the Property to the Purchaser. The Seller will give the Purchaser (i) a properly executed deed, (ii) an adequate affidavit of title, (iii) those other documents which are ordinary and customary of real estate transactions in the State of New Jersey; and (iv) and other documents as may reasonably be requested by Purchaser or the Title Company. If the Seller is a corporation, it will also deliver a corporate resolution authorizing the sale.

8. **Type of Deed.** A deed is a written document used to transfer ownership of property. In this transaction, the Seller agrees to provide, and the Purchaser agrees to accept a deed known as Bargain & Sale with Covenants Against Grantors Acts. Seller shall be responsible to pay any transfer fee associated with the recording of the deed.

9. **Due Diligence.** Purchaser shall have the right and option (x) for One Hundred Twenty Days (120) days (the "Due Diligence Period") commencing on the Effective Date of this Contract to enter upon the Property to inspect, examine and test any and all aspects of the Property as Purchaser deems, in its sole and absolute discretion, appropriate or necessary, including without limitation: review of title, zoning, surveys, and building codes and other governmental requirements; the physical, environmental and ecological condition of the Property, such aspects to include, without limitation, engineering studies, Phase I and Phase II studies, wetlands, and other geological and environmental investigations, tests and inspections; discussions with representatives of any governmental authorities regarding the Property and Purchaser's intended use and development thereof (collectively, the "Inspections") and (y) following the expiration of the Due Diligence Period through the Closing or earlier termination of this Agreement to enter upon the Property to evaluate the same in preparation for development including, without limitation, geotechnical inspections. The inspections shall be at Purchaser's sole cost and expense and without liability to Seller. Seller shall have the right, at Seller's expense, to have its respective representatives present for any physical inspections.

If Purchaser determines, for any or no reason, in its sole, absolute and unreviewable subjective determination, that the Property is not suitable for Purchaser's purposes, Purchaser shall have the right by giving written notice to Seller on or before the expiration of the Due Diligence Period to elect to terminate this Contract. If Purchaser chooses to terminate this Contract pursuant to this Section 9, the Deposit shall be returned to Purchaser and thereafter neither party shall have any further obligation to the other hereunder with the exception of those provisions that, by the express terms thereof, survive the termination of this Contract.

10. **Complete Agreement.** This contract is the entire and only agreement between the Purchaser and the Seller. This contract replaces and cancels any previous agreements between the Purchaser and the Seller. This contract can only be changed by an agreement in writing signed by both Purchaser and Seller. The Seller states that the Seller has not made any other contract to sell the property to anyone else. The Seller's agreement to pay the Broker (if any) is contained at the end of this document.

11. Notices. Any notice pursuant to this Contract shall be given in writing by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, or (c) electronic mail by pdf, sent to the intended addressee at the address set forth below, and shall be deemed to have been given upon receipt or refusal to accept delivery, or, in the case of electronic mail by pdf, as of the date of the transmission provided that an original of such electronic mail is also sent to the intended addressee by means described in clauses (a), or (b) above. The addresses for notices given pursuant to this Contract shall be as follows:

12. Truck Parking. Buyer may park trucks on the property until the closing takes place.

If intended for Seller:

FARNOW INC
[REDACTED]
Email: [REDACTED]

with a copy to:

[REDACTED]
Attn: [REDACTED]
Email: [REDACTED]

If intended for Purchaser:

87 JACOBUS AVE LLC
199 West 21st street
Bayonne, New Jersey 07002
Attn: Lance T. Lucarelli
Email: LanceLucarelli@LGroup1.com

with a copy to:

Riker Danzig Scherer Hyland Perretti, LLP
One Speedwell Avenue, Headquarters Plaza
Morristown, New Jersey 07962
Attn: Nicholas Racioppi, Esq.
Email: nracioppi@riker.com

13. Bulk Sales. Purchaser shall have the right to comply with the applicable provisions of state law with respect to bulk sales, including, but not limited to N.J.S.A. 54:52B-22(c) and N.J.S.A. 54:50-38, and Seller shall reasonably cooperate in connection with such compliance.

14. Brokers. Purchaser and Seller represent and warrant to each other that neither has dealt with any real estate agent, finder or broker, in connection with this transaction. Seller and Purchaser, and their respective assigns, each agree to hold the other harmless and to indemnify the other against any claims of or liabilities to any broker based on dealings or alleged dealings with the indemnifying party.

15. Section 1031 Exchange. Both Purchaser and Seller hereby acknowledge that each party to this Agreement may effect an I.R.C. Section 1031 tax deferred exchange with respect to this

transaction. Both Purchaser and Seller agree to cooperate with each other in a manner reasonably necessary to successfully complete any tax deferred exchange, but each party shall be responsible for its own costs only in connection with any such tax deferred exchange.

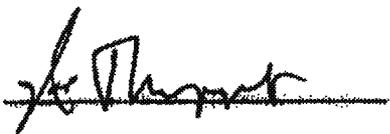
16. **Time Periods.** Any reference in this Agreement to the time for the performance of obligations or elapsed time shall mean consecutive calendar days, months, or years, as applicable. In the event the time for performance of any obligation hereunder expires on a day that is not a business day, the time for performance shall be extended to the next business day.

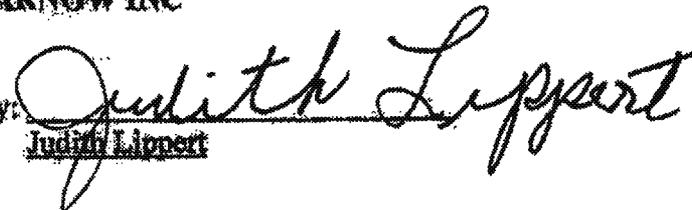
17. **Parties Liable.** This contract is binding upon all parties who sign it and all who succeed to their rights and responsibilities.

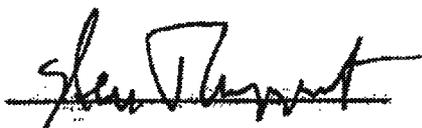
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

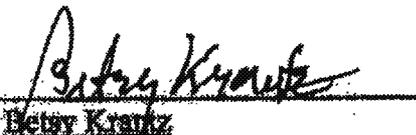
WITNESS:

SELLER:
FARNOW INC



By: 
Judith Lippert

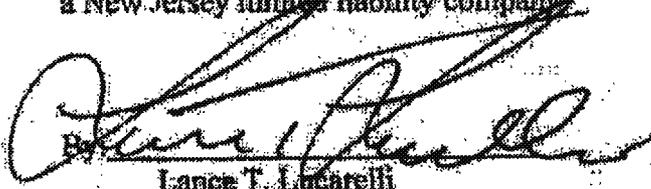


By: 
Betty Krantz

PURCHASER:

87 JACOBUS AVE LLC,
a New Jersey limited liability company



By: 
Lance T. Lucarelli
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